

Wyoming Energy Commercialization Program – a program to create a non-federal pool of R&D funds to match with federal program dollars

1. \$10 million per biennium automatic diversion from coal severance taxes
2. Money does not revert and can be banked to finance and/or cost-share large projects
3. State of Wyoming funds cannot be utilized for more than 50% of the total project costs
4. Projects must complete each phase before being eligible for additional funding. Prior completed work may be considered –e.g. a DOE funded FEED study would allow a project to immediately advance to Phase III.
 - a. Phase I – Proof of concept papers
 - b. Phase II – Feasibility and FEED studies
 - c. Phase III – Project construction and demonstration
5. The ITC Technical Advisory Committee (TAC) shall make the project recommendations, with the State Lands Investment Board (SLIB) making the final funding determinations. **Recommended to eliminate conflicts of interest due to the fact that UW SER may have technologies and projects that could use the program.*

Justification:

North Dakota's Lignite Research, Development and Marketing Program is a multi-million dollar state/industry partnership that concentrates on near term, practical research and development projects that provide the opportunity to preserve and enhance development of our state's abundant lignite resources.

The Program is funded by approximately 10 cents per ton from the North Dakota coal severance tax. With annual production at approximately 30 million tons per year, about \$3 million is available each year for the Program.

Since North Dakota has a consistent and reliable funding source, the State has been very successful attracting R&D projects by having a source for cost-share requirements. Wyoming could attract many DOE projects if the State was able to provide cost-share funding.

Coal Marketing and Impact Program – a program to fund efforts to preserve coal markets and studies on coal impacts to Wyoming communities

1. \$1 million per biennium to Governor's office to fund efforts to project Wyoming's existing coal markets, coal facilities within Wyoming, and local impacts and diversification efforts in coal impacted communities.
2. Unspent funding reverts

Justification:

There are constant needs and opportunities for Wyoming to participate in efforts designed to preserve Wyoming's coal industry and assist local communities in their efforts to deal with the impacts of the changing coal economy.

For the past few years, Wyoming has helped fund the Energy Policy Network (EPN), which advocates for coal's continued use in coal consuming states. EPN's efforts have extended the lives of a number of Wyoming coal consuming power plants, meaning the State will continue to collect millions in production taxes. Wyoming does not have the avenue or funds available to continue funding EPN.

With Rocky Mountain Power's announcement to close the Naughton Power Plant, the city of Kemmerer would like to explore acquiring the facility. Funding from a program like this could assist with economic analysis, engineering studies, and other due diligence efforts.

Funding could also be used to weigh in on coal export opportunities and provide additional collateral as needed.